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**UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF NEVADA**

21 In re:  
 22 USA COMMERCIAL MORTGAGE COMPANY,  
 23 Debtor.

24 Case No. BK-S-06-10725 LBR  
 25 Case No. BK-S-06-10726 LBR  
 26 Case No. BK-S-06-10727 LBR  
 27 Case No. BK-S-06-10728 LBR  
 28 Case No. BK-S-06-10729 LBR

21 In re:  
 22 USA CAPITAL REALTY ADVISORS, LLC,  
 23 Debtor.

24 Chapter 11

21 In re:  
 22 USA CAPITAL DIVERSIFIED TRUST DEED  
 23 FUND, LLC,  
 24 Debtor.

24 **Jointly Administered Under  
 25 Case No. BK-S-06-10725 LBR**

21 In re:  
 22 USA CAPITAL FIRST TRUST DEED FUND, LLC,  
 23 Debtor.

24 **MONTHLY OPERATING REPORT  
 25 FOR JULY 2007 (AFFECTS USA  
 26 COMMERCIAL MORTGAGE  
 27 COMPANY)**

21 In re:  
 22 USA SECURITIES, LLC,  
 23 Debtor.

24 Affects:

- All Debtors
- USA Commercial Mortgage Company
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA Capital First Trust Deed Fund, LLC
- USA Securities, LLC

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

In re: USA Commercial Mortgage Company

Case No. 06-10725-LBR

**CHAPTER 11  
MONTHLY OPERATING REPORT  
(GENERAL BUSINESS CASE)**

**SUMMARY OF FINANCIAL STATUS**

**MONTH ENDED:** 07/31/07**PETITION DATE:** 04/13/06

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).  
 Dollars reported in \$1

**2. Asset and Liability Structure**

- a. Current Assets
- b. Total Assets
- c. Current Liabilities
- d. Total Liabilities

	<u>End of Current Month</u>	<u>End of Prior Month</u>	<u>As of April 13, 2006</u>
	\$16,819,621	\$17,391,191	
	\$16,819,621	\$17,391,191	\$122,468,825
	\$9,604,198	\$9,870,554	
	\$9,710,248	\$9,976,604	\$61,634,630

**3. Statement of Cash Receipts & Disbursements for Month**

- a. Total Receipts
- b. Total Disbursements
- c. Excess (Deficiency) of Receipts Over Disbursements (a - b)
- d. Cash Balance Beginning of Month
- e. Cash Balance End of Month (c + d)

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	\$35,563	\$52,919	\$40,171,802
	\$607,133	\$8,374,488	\$28,025,561
	(\$571,570)	(\$8,321,569)	\$12,146,241
	\$13,294,043	\$21,615,612	\$576,231
	\$12,722,473	\$13,294,043	\$12,722,473

**4. Profit/(Loss) from the Statement of Operations****5. Account Receivables (Pre and Post Petition)****6. Post-Petition Liabilities****7. Past Due Post-Petition Account Payables (over 30 days)**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Cumulative (Case to Date)</u>
	(\$305,214)	(\$73,368)	(\$31,898,520)
	\$4,097,148	\$4,097,148	
	\$9,604,198	\$9,870,554	
	\$16,776	\$41,008	

**At the end of this reporting month:**

- 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)
- 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)
- 10. If the answer is yes to 8 or 9, were all such payments approved by the court?
- 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)
- 12. Is the estate insured for replacement cost of assets and for general liability?
- 13. Are a plan and disclosure statement on file?
- 14. Was there any post-petition borrowing during this reporting period?
- 15. Check if paid: Post-petition taxes X; U.S. Trustee Quarterly Fees X; Check if filing is current for: Post-petition tax reporting and tax returns: X.  
 (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 8/30/2007 0:00

Responsible Individual



## **STATEMENT OF OPERATIONS**

## **(General Business Case)**

For the Month Ended 07/31/07

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only).

**BALANCE SHEET**  
**(General Business Case)**  
**For the Month Ended 07/31/07**

**Assets**

		<u>From Schedules</u>	<u>Market Value<sup>1</sup></u>
<b>Current Assets</b>			
1	Cash and cash equivalents - unrestricted		\$8,775,533
2	Cash and cash equivalents - restricted		\$3,946,940
3	Accounts receivable (net)	A	\$4,097,148
4	Inventory	B	\$0
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8			
9	<b>Total Current Assets</b>		<u>\$16,819,621</u>
<b>Property and Equipment (Market Value)</b>			
10	Real property	C	
11	Machinery and equipment	D	
12	Furniture and fixtures	D	
13	Office equipment	D	
14	Leasehold improvements	D	
15	Vehicles	D	
16	Other: _____	D	
17		D	
18		D	
19		D	
20		D	
21	<b>Total Property and Equipment</b>		<u>\$0</u>
<b>Other Assets</b>			
22	Loans to shareholders		
23	Loans to affiliates		
24			
25			
26			
27			
28	<b>Total Other Assets</b>		<u>\$0</u>
29	<b>Total Assets</b>		<u><u>\$16,819,621</u></u>

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

**Liabilities and Equity**  
**(General Business Case)**

**Liabilities From Schedules****Post-Petition****Current Liabilities**

30	Salaries and wages	
31	Payroll taxes	
32	Real and personal property taxes	
33	Income taxes	
34	Sales taxes	
35	Notes payable (short term)	
36	Accounts payable (trade)	A
37	Real property lease arrearage	
38	Personal property lease arrearage	
39	Accrued professional fees	
40	Current portion of long-term post-petition debt (due within 12 months)	
41	Other: Retirement plan	\$26,776
42	Due to DTDF and other liabilities	
43		
44	<b>Total Current Liabilities</b>	\$4,553,914
45	<b>Long-Term Post-Petition Debt, Net of Current Portion</b>	
46	<b>Total Post-Petition Liabilities</b>	\$1,105,535
44		\$3,917,973
44		
44		\$9,604,198

**Long-Term Post-Petition Debt, Net of Current Portion**

45	<b>Total Post-Petition Liabilities</b>	\$9,604,198
----	--	-------------

**Pre-Petition Liabilities (allowed amount)<sup>1</sup>**

47	Secured claims <sup>1</sup>	F	\$0
48	Priority unsecured claims <sup>1</sup>	F	\$106,050
49	General unsecured claims <sup>1</sup>	F	
50	<b>Total Pre-Petition Liabilities</b>		\$106,050
51	<b>Total Liabilities</b>		\$9,710,248

**Equity (Deficit)**

52	Retained Earnings/(Deficit) at time of filing		\$38,932,893
53	Capital Stock		\$75,000
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		(\$31,898,520)
56	Post-petition contributions/((distributions) or (draws)		
57			
58	Market value adjustment		
59	<b>Total Equity (Deficit)</b>		\$7,109,373
60	<b>Total Liabilities and Equity (Deficit)</b>		\$16,819,621

**NOTE:**

1 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

**SCHEDULES TO THE BALANCE SHEET**  
**(General Business Case)**

**Schedule A**

**Accounts Receivable and (Net) Payable**

**Receivables and Payables Agings**

0 -30 Days  
 31-60 Days  
 61-90 Days  
 91+ Days  
 Total accounts receivable/payable  
 Allowance for doubtful accounts  
 Accounts receivable (net)

<u>Accounts Receivable [Pre and Post Petition]</u>	<u>Accounts Payable [Post Petition]</u>	<u>Past Due Post Petition Debt</u>
	\$10,000	
	\$0	
	\$0	
	\$16,776	
	\$0	
	\$26,776	
	\$0	
	<u>\$0</u>	

**Schedule B**

**Inventory/Cost of Goods Sold**

**Types and Amount of Inventory(ies)**

	<u>Inventory(ies) Balance at End of Month</u>
Retail/Restaurants - Product for resale	_____
Distribution - Products for resale	_____
Manufacturer - Raw Materials	_____
Work-in-progress	_____
Finished goods	_____
Other - Explain	_____
<b>TOTAL</b>	<b>\$0</b>

**Method of Inventory Control**

Do you have a functioning perpetual inventory system?

Yes \_\_\_\_\_ No \_\_\_\_\_

How often do you take a complete physical inventory?

Weekly \_\_\_\_\_  
 Monthly \_\_\_\_\_  
 Quarterly \_\_\_\_\_  
 Semi-annually \_\_\_\_\_  
 Annually \_\_\_\_\_

Date of last physical inventory was \_\_\_\_\_

Date of next physical inventory is \_\_\_\_\_

**Cost of Goods Sold**

**Inventory Beginning of Month**

Add -	_____
Net purchase	_____
Direct labor	_____
Manufacturing overhead	_____
Freight in	_____
Other:	_____
	_____
	_____

**Less -**

Inventory End of Month	_____
Shrinkage	_____
Personal Use	_____

**Cost of Goods Sold**

**\$0**

**Inventory Valuation Methods**

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost	_____
LIFO cost	_____
Lower of cost or market	_____
Retail method	_____
Other	_____
Explain	_____

**Schedule C**  
**Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
Total	\$0	\$0

**Schedule D**  
**Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
Total	\$0	\$0
Furniture & Fixtures -		
Total	\$0	\$0
Office Equipment -		
Total	\$0	\$0
Leasehold Improvements -		
Total	\$0	\$0
Vehicles -		
Total	\$0	\$0

**Schedule E**  
**Aging of Post-Petition Taxes**  
**(As of End of the Current Reporting Period)**

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
<b>Federal</b>					
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total Federal Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>State and Local</b>					
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
<b>Total State &amp; Local Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Schedule F**  
**Pre-Petition Liabilities**

**List Total Claims For Each Classification -**

	<u>Claimed<sup>1</sup> Amount</u>	<u>Allowed<sup>2</sup> Amount (b)</u>
Secured claims (a)		
Priority claims other than taxes	\$54,168	
Priority tax claims	\$51,882	
General unsecured claims		

- (a) List total amount of claims even it under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

**Schedule G**  
**Rental Income Information**  
**Not applicable to General Business Cases**

**Schedule H**  
**Recapitulation of Funds Held at End of Month**

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>	<u>Account 5</u>
Bank	Bank of America	Citibank	Bank of America	Bank of America	
Account Type	Analyzed Checking	Business Account	Money Market	Money Market	
Account No.	3755532383	500078217	3755547323	3755547789	
Account Purpose	General	Citibank Interest	Escrow Account	Money Market	
Balance, End of Month	\$86,561	\$234	\$3,946,940	\$8,688,738	
Total Funds on Hand for all Accounts	<b>\$12,722,473</b>				

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

**NOTES:**

- 1 - Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
- 2 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court.

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS****Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended 07/31/07**

		<u>Actual</u> <u>Current Month</u>	<u>Cumulative</u> <u>(Case to Date)</u>
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales		\$7,643,557
3	Interest Received	\$35,563	\$376,233
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		\$5,000
6	Capital Contributions		
7	Management Fees from USA Capital Realty Advisors, LLC		\$1,564,093
8	Tax and Security Deposit Refund		\$5,698
9	Principal Received on Notes Receivable		\$82,832
10	Escrow Deposit/Sale Proceeds/Effective Date Transfer		\$30,494,389
11			\$0
12	<b>Total Cash Receipts</b>	<u>\$35,563</u>	<u>\$40,171,802</u>
<b>Cash Disbursements</b>			
13	Payments for Inventory		
14	Selling		\$2,619
15	Administrative	\$15,355	\$800,277
16	Capital Expenditures		
17	Principal Payments on Debt		\$150,645
18	Interest Paid		\$4,888
19	Rent/Lease:		
20	Personal Property		\$9,963
21	Real Property		\$569,426
22	Amount Paid to Owner(s)/Officer(s)		
23	Salaries		
24	Draws		
25	Commissions/Royalties		
26	Expense Reimbursements		
27	Other		
28	Salaries/Commissions (less employee withholding)		\$1,740,393
29	Management Fees		
30	Taxes:		
31	Employee Withholding		\$213,091
32	Employer Payroll Taxes		\$94,063
33	Real Property Taxes		
34	Other Taxes	\$2,043	\$27,086
35	Other Cash Outflows:		
36	Professional Fees Paid in Connection with Chapter 11 Case	\$499,709	\$15,921,175
37	U.S. Trustee Quarterly Fees		\$28,000
38	Escrow Deposit & Interpleader Settlement	\$90,026	\$8,463,935
39	<b>Total Cash Disbursements:</b>	<u>\$607,133</u>	<u>\$28,025,561</u>
40	<b>Net Increase (Decrease) in Cash</b>	<u>(\$571,570)</u>	<u>\$12,146,241</u>
41	<b>Cash Balance, Beginning of Period</b>	<u>\$13,294,043</u>	<u>\$576,231</u>
42	<b>Cash Balance, End of Period</b>	<u>\$12,722,473</u>	<u>\$12,722,473</u>

**STATEMENT OF CASH FLOWS**  
 (Optional) Increase/(Decrease) in Cash and Cash Equivalents  
 For the Month Ended 07/31/07

		<u>Actual</u> <u>Current Month</u>	<u>Cumulative</u> <u>(Case to Date)</u>
<b>Cash Flows From Operating Activities</b>			
1	Cash Received from Sales		\$7,643,557
2	Rent/Leases Collected		
3	Interest Received	\$35,563	\$376,233
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		\$2,619
6	Cash Paid for Administrative Expenses	\$15,355	\$800,277
	Cash Paid for Rents/Leases:		
7	Personal Property		\$9,963
8	Real Property		\$569,426
9	Cash Paid for Interest		\$4,888
10	Cash Paid for Net Payroll and Benefits		\$1,740,393
	Cash Paid to Owner(s)/Officer(s):		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		\$94,063
17	Employee Withholdings		\$213,091
18	Real Property Taxes		
19	Other Taxes	\$2,043	\$27,086
20	Cash Paid for General Expenses		
21	Management Fees from USA Capital Realty Advisors, LLC		(\$1,564,093)
22	Tax and Security Deposit Refund		(\$5,698)
23	Principal Received on Notes Receivable		(\$82,832)
24			\$0
25			
26			
27	<b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	<b>\$18,165</b>	<b>\$6,210,607</b>
<b>Cash Flows From Reorganization Items</b>			
28	Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case	\$499,709	\$15,921,175
30	U.S. Trustee Quarterly Fees		\$28,000
31	Escrow Deposit & Settlement/Sale Proceeds/Effective Date Transfer/Interpleader	\$90,026	(\$22,030,454)
32	<b>Net Cash Provided (Used) by Reorganization Items</b>	<b>(\$589,735)</b>	<b>\$6,081,279</b>
33	<b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	<b>(\$571,570)</b>	<b>\$12,291,886</b>
<b>Cash Flows From Investing Activities</b>			
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	<b>Net Cash Provided (Used) by Investing Activities</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flows From Financing Activities</b>			
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		\$5,000
40	Capital Contributions		
41	Principal Payments		\$150,645
42			
43	<b>Net Cash Provided (Used) by Financing Activities</b>	<b>\$0</b>	<b>(\$145,645)</b>
44	<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$571,570)</b>	<b>\$12,146,241</b>
45	<b>Cash and Cash Equivalents at Beginning of Month</b>	<b>\$13,294,043</b>	<b>\$576,231</b>
46	<b>Cash and Cash Equivalents at End of Month</b>	<b>\$12,722,473</b>	<b>\$12,722,473</b>

**USA Commercial Mortgage Company**  
**Question 9 - Payments to Professionals**  
**July 1, 2007 - July 31, 2007**

	<b>Total Paid During Month</b>
Lewis and Roca, LLP	\$ 252,582.55
Mesirow Financial Interim Management, LLC	175,570.83
Sierra Consulting Group, LLC	71,226.89
Committee Members	328.60
<b>Total Fees &amp; Expenses</b>	<b><u>\$ 499,708.87</u></b>

**USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents

**For the Month Ended 07/31/07**

		Actual <u>Current Month</u>	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received		
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Cash Received from Borrowers		
8			
9			
10			
11			
12	<b>Total Cash Receipts</b>	\$0	<b>\$285,693,849</b>
<b>Cash Disbursements</b>			
13	Payments for Inventory		
14	Selling		
15	Administrative		
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
19	Rent/Lease:		
20	Personal Property		
21	Real Property		
22	Amount Paid to Owner(s)/Officer(s)		
23	Salaries		
24	Draws		
25	Commissions/Royalties		
26	Expense Reimbursements		
27	Other		
28	Salaries/Commissions (less employee withholding)		
29	Management Fees		
30	Taxes:		
31	Employee Withholding		
32	Employer Payroll Taxes		
33	Real Property Taxes		
34	Other Taxes		
35	Other Cash Outflows:		
36	Extension/Late Fees/Default Interest Collected on Behalf of USA CM		\$793,410
37	Service Fees Paid to USA Commercial Mortgage		\$3,525,985
38	<b>Total Cash Disbursements:</b>	(\$7)	<b>\$294,747,001</b>
39	<b>Net Increase (Decrease) in Cash</b>	\$7	<b>(\$9,053,152)</b>
40	<b>Cash Balance, Beginning of Period</b>	\$258	<b>\$9,053,417</b>
41	<b>Cash Balance, End of Period</b>	<b>\$265</b>	<b>\$265</b>

**USA COMMERCIAL MORTGAGE COMPANY - COLLECTION ACCOUNT****STATEMENT OF CASH FLOWS**

(Optional) Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 07/31/07

		<u>Actual</u>	<u>Cumulative</u>
		<u>Current Month</u>	<u>(Case to Date)</u>
<b>Cash Flows From Operating Activities</b>			
1	Cash Received from Sales		
2	Rent/Leases Collected		
3	Interest Received		\$2,058,843
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		
6	Cash Paid for Administrative Expenses		
	Cash Paid for Rents/Leases:		
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest		
10	Cash Paid for Net Payroll and Benefits		
	Cash Paid to Owner(s)/Officer(s):		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		
17	Employee Withholdings		
18	Real Property Taxes		
19	Other Taxes		
20	Cash Paid for General Expenses		
21	Cash Received from Borrowers		(\$283,635,006)
22	Extension/Late Fees/Default Interest Collected on Behalf of USA CM		\$793,410
23	Service Fees Paid to USA Commercial Mortgage		\$3,525,985
24	Payments to Investors	(\$7)	\$247,607,995
25	Fees Collected on Behalf of Compass Partners		\$1,122,633
26	Effective Date Transfers to USACM		\$41,696,978
27	<b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	\$7	(\$9,053,152)
<b>Cash Flows From Reorganization Items</b>			
28	Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case		
30	U.S. Trustee Quarterly Fees		
31			
32	<b>Net Cash Provided (Used) by Reorganization Items</b>	\$0	\$0
33	<b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	\$7	(\$9,053,152)
<b>Cash Flows From Investing Activities</b>			
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	<b>Net Cash Provided (Used) by Investing Activities</b>	\$0	\$0
<b>Cash Flows From Financing Activities</b>			
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		
40	Capital Contributions		
41	Principal Payments		
42			
43	<b>Net Cash Provided (Used) by Financing Activities</b>	\$0	\$0
44	<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	\$7	(\$9,053,152)
45	<b>Cash and Cash Equivalents at Beginning of Month</b>	\$258	\$9,053,417
46	<b>Cash and Cash Equivalents at End of Month</b>	\$265	\$265

**USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

Increase/(Decrease) in Cash and Cash Equivalents

**For the Month Ended 07/31/07**

		Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received	\$1,107	\$19,895
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Return of Funds from Title Company		\$8,900,000
8	Funding Assignments		\$200,000
9			
10			
11			
12	<b>Total Cash Receipts</b>	<u>\$1,107</u>	<u>\$9,119,895</u>
<b>Cash Disbursements</b>			
13	Payments for Inventory		
14	Selling		
15	Administrative	\$63,156	\$63,156
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
19	Rent/Lease:		
20	Personal Property		
21	Real Property		
22	Amount Paid to Owner(s)/Officer(s)		
23	Salaries		
24	Draws		
25	Commissions/Royalties		
26	Expense Reimbursements		
27	Other		
28	Salaries/Commissions (less employee withholding)		
29	Management Fees		
30	Taxes:		
31	Employee Withholding		
32	Employer Payroll Taxes		
33	Real Property Taxes		
34	Other Taxes		
35	Other Cash Outflows:		
36	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
37	Principal and Interest Payments to Investors	\$262,556	\$10,599,081
38	Payment to Registry of the Court	\$240,956	\$240,956
39	<b>Total Cash Disbursements:</b>	<u>\$566,668</u>	<u>\$11,003,193</u>
40	<b>Net Increase (Decrease) in Cash</b>	<u>(\$565,561)</u>	<u>(\$1,883,298)</u>
41	<b>Cash Balance, Beginning of Period</b>	<u>\$658,396</u>	<u>\$1,976,133</u>
	<b>Cash Balance, End of Period</b>	<u>\$92,835</u>	<u>\$92,835</u>

Note:

1 - Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank.

**USA COMMERCIAL MORTGAGE COMPANY - INVESTOR ACCOUNT****STATEMENT OF CASH FLOWS**

(Optional) Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 07/31/07

		<b>Actual Current Month</b>	<b>Cumulative (Case to Date)</b>
	<b>Cash Flows From Operating Activities</b>		
1	Cash Received from Sales		
2	Rent/Leases Collected		
3	Interest Received	\$1,107	\$19,895
4	Cash Paid to Suppliers		
5	Cash Paid for Selling Expenses		
6	Cash Paid for Administrative Expenses	\$63,156	\$63,156
	Cash Paid for Rents/Leases:		
7	Personal Property		
8	Real Property		
9	Cash Paid for Interest		
10	Cash Paid for Net Payroll and Benefits		
	Cash Paid to Owner(s)/Officer(s):		
11	Salaries		
12	Draws		
13	Commissions/Royalties		
14	Expense Reimbursements		
15	Other		
	Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16	Employer Payroll Tax		
17	Employee Withholdings		
18	Real Property Taxes		
19	Other Taxes		
20	Cash Paid for General Expenses		
21	Pre-Petition Check Cleared by Bank after Account Closed		\$100,000
22	Return of Funds from Title Company		(\$8,900,000)
23	Principal and Interest Payments to Investors	\$262,556	\$10,599,081
24	Funding Assignments		(\$200,000)
25	Payment to Registry of the Court	\$240,956	\$240,956
26			
27	<b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	<b>(\$565,561)</b>	<b>(\$1,883,298)</b>
	<b>Cash Flows From Reorganization Items</b>		
28	Interest Received on Cash Accumulated Due to Chp 11 Case		
29	Professional Fees Paid for Services in Connection with Chp 11 Case		
30	U.S. Trustee Quarterly Fees		
31			
32	<b>Net Cash Provided (Used) by Reorganization Items</b>	<b>\$0</b>	<b>\$0</b>
33	<b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	<b>(\$565,561)</b>	<b>(\$1,883,298)</b>
	<b>Cash Flows From Investing Activities</b>		
34	Capital Expenditures		
35	Proceeds from Sales of Capital Goods due to Chp 11 Case		
36			
37	<b>Net Cash Provided (Used) by Investing Activities</b>	<b>\$0</b>	<b>\$0</b>
	<b>Cash Flows From Financing Activities</b>		
38	Net Borrowings (Except Insiders)		
39	Net Borrowings from Shareholders, Partners, or Other Insiders		
40	Capital Contributions		
41	Principal Payments		
42			
43	<b>Net Cash Provided (Used) by Financing Activities</b>	<b>\$0</b>	<b>\$0</b>
44	<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(\$565,561)</b>	<b>(\$1,883,298)</b>
45	<b>Cash and Cash Equivalents at Beginning of Month</b>	<b>\$658,396</b>	<b>\$1,976,133</b>
46	<b>Cash and Cash Equivalents at End of Month</b>	<b>\$92,835</b>	<b>\$92,835</b>

Note:

1 - Check cleared by Wells Fargo on April 19, 2006 and not returned to account by the bank.